

The Convergence Clubs of Regional Comprehensive Economic Partnership (RCEP) Countries: A wise choice? (Kelab Penumpuan Bagi Perkongsian Ekonomi Komprehensif Negara-negara Serantau (RCEP): Satu pilihan yg tepat?)

DAYANG AFFIZAH AWANG MARIKAN
MD.MAHBUBUR RAHMAN
NOR AFIZA ABU BAKAR
TING MEE SING
University Malaysia Sarawak

ABSTRACT

This investigation used the non-linear approach on the income convergence issues of the Regional Comprehensive Economic Partnership (RCEP) countries to evaluate empirically the income convergence during the period 1997-2015. Alternatively, if two or more nations have shown to some degree of income convergence, it can be useful to identify the uniformity of economic performance. Because of the excessive output inequalities between members and between regions, a full aggregate convergence failed to be established yet the study further facilitates the endogenous decision of clubs convergence (sub groups). Evidence from income convergence indicates that a group of developed nations, particularly Singapore, Japan, New Zealand and Brunei comprised of the core clubs, Malaysia, China, Thailand and Indonesia, known as newly industrialized economies (NIES's) clustered into a group. Finally, the remaining countries, converging towards each other forming another club. Seven clubs convergence implies that the RCEP members experience weak convergence between them which illustrate relatively substantial dissimilarity in its structure of the economy as a whole. Despite the dissimilarity, the speed of convergence indicates that possible catching up within the members countries, in converging towards a similar transition path of economics growth. Thus indicating further realisation of economic corporation and stronger integration among the RCEP members now and in the future.

Key words: RCEP; ASEAN; GDP per capita; Convergence.

ABSTRAK

Kajian ini menggunakan pendekatan non-linear terhadap isu konvergen pendapatan untuk negara-negara Perkongsian Ekonomi Komprehensif Serantau (RCEP) bagi menilai konvergen pendapatan secara empirikal pada 1997-2015. Secara alternatif, jika terdapat dua atau lebih negara yang menunjukkan konvergen pendapatan pada mana-mana tahap, maka ianya penting untuk mengenalpasti tahap keseragaman pencapaian ekonomi negara terbabit. Disebabkan ketidaksamaan tahap pengeluaran di antara negara dan serantaunya, konvergen secara agregat tidak dapat dicapai namun kajian selanjutnya menunjukkan wujudnya penentuan kelab konvergen (sub kumpulan). Bukti kajian menunjukkan bahawa negara-negara maju seperti Singapore, Japan, New Zealand and Brunei telah membentuk kelab utama. Manakala, kelab yang kedua terdiri daripada Malaysia, China, Thailand dan Indonesia, yang dikenali sebagai Ekonomi Perindustri Baru (NIE's). Negara-negara selebihnya pula, membentuk, kelab-kelab yang lain. Menurut kajian ini, terdapat tujuh kelab konvergen yang menunjukkan daya konvergen yang lemah diantara negara-negara RCEP. lemah. Ini secara kasarnya, menandakan perbezaan ketidaksamaan yang besar di dalam struktur ekonomi negara-negara RCE. Namun begitu, tahap kelajuan konvergen menunjukkan terdapat kemungkinan untuk negara-negara ini saling mengejar untuk mencapai tahap konvergen ke arah laluan peralihan pertumbuhan ekonomi yang sama. Dengan ini, selanjutnya menunjukkan realisasi kerjasama ekonomi dan integrasi yang lebih utuh di masa sekarang dan masa hadapan.

Kata kunci: RCEP; ASEAN; GDP per kapita; Konvergen,

INTRODUCTION

The concept of economic convergence can be defined as, where by domestic economies display growing similarities in the patterns of their performance. The hypothesis of convergence specifies that in comparison with developed countries,